



# Washington Economic Update

January 28, 2016

## Summary

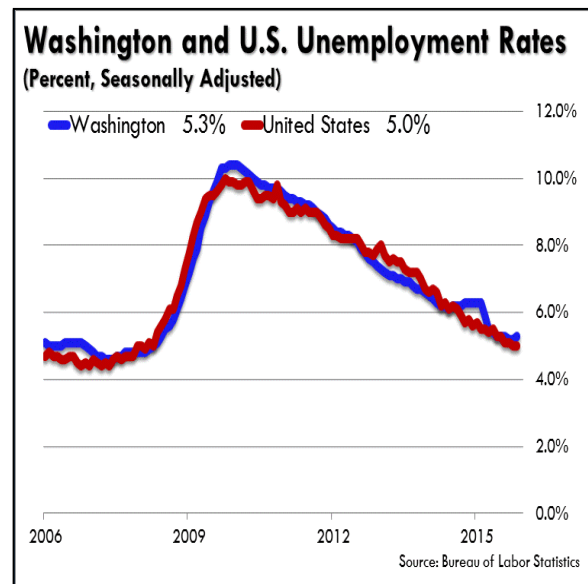
Nonfarm payroll employment in Washington increased by 7,200 jobs and the unemployment rate increased to 5.5 percent in December according to data released by the Bureau of Labor Statistics (BLS).

## Washington Unemployment Rate

During December, the unemployment rate in Washington increased to 5.5 percent. The number of people counted as unemployed increased by 7,600 in December to 193,000, while the labor force increased by 11,800 to 3,541,400.

The 10-year peak for the unemployment rate in Washington was 10.4 percent in January 2010. The series high for the unemployment rate in Washington occurred in November 1982 when the unemployment rate reached 12.2 percent. The 10-year low for the unemployment rate in Washington was 4.6 percent in June 2008. The series low for the unemployment rate in Washington occurred in June 2007 when the unemployment rate reached 4.6 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



## Washington Payroll Employment

Washington nonfarm payrolls increased by 7,200 jobs, or 0.2 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 10,400. Over the past 12 months nonfarm payrolls in Washington increased by 87,900, or 2.8 percent. Washington nonfarm payroll employment has increased in 11 of the past 12 months.

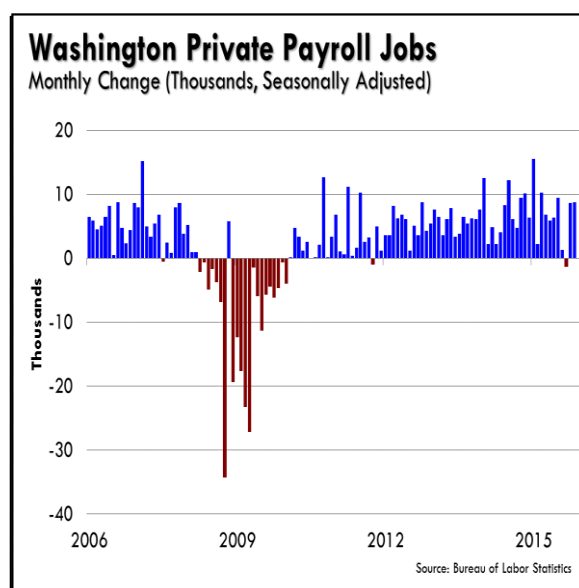
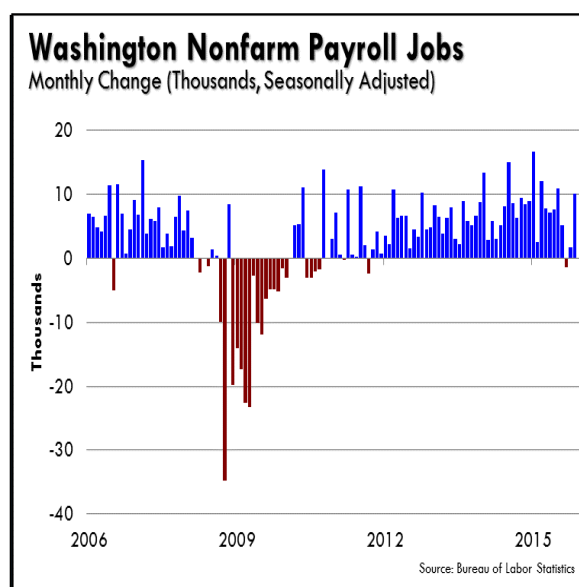
Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, Washington private-sector payrolls increased by 5,600, or 0.2 percent. Private-sector payrolls increased by 8,200 jobs in the prior month. Over the past 12 months, private-sector payrolls in Washington increased by 79,000, or 3.1 percent. Washington private-sector payroll employment has increased in 11 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Washington increased by 1,600, or 0.3 percent. Federal government payroll employment increased by 600, or 0.8 percent. State government payroll employment increased by 600, or 0.4 percent, while local government payroll employment increased by 400, or 0.1 percent.

Over the past year, total government payroll employment increased by 8,900 or 1.6 percent. State government payroll employment increased by 700, or 0.5 percent. Local government payroll employment increased by 6,000, or 1.8 percent.



The best performing sectors on a seasonally adjusted basis during December were trade, transportation, and utilities (+2,300) and government (+1,600). The poorest performing sectors during the month were professional and business services (-1,500) and leisure and hospitality (-700).

The best performing sectors during the last twelve months were trade, transportation, and utilities (+18,400) and leisure and hospitality (+14,300). The poorest performing sectors for the year were manufacturing (0) and financial activities (+1,900).

### Other Washington Labor Force Statistics

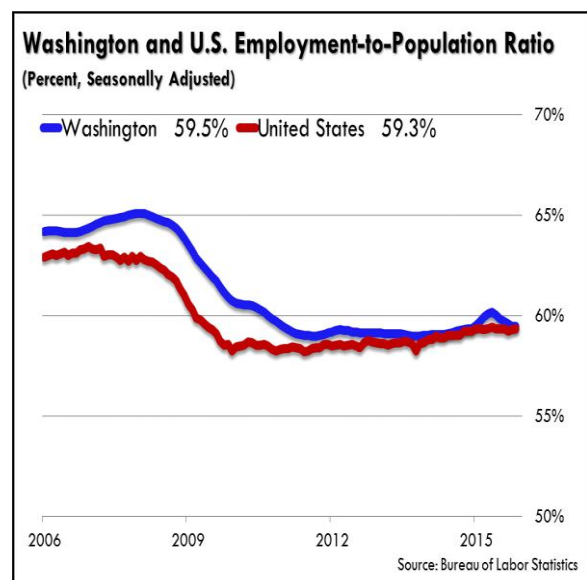
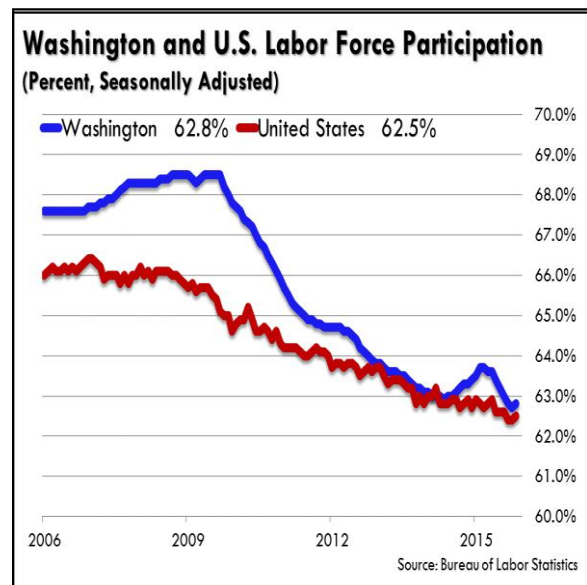
The labor force participation rate in Washington increased to 62.9 percent in December. The labor force participation rate in Washington is decreased from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Washington was 68.5 percent in September 2009. The series high for the labor force participation rate in Washington occurred in January 1999, when the labor force participation rate hit 70.4 percent. The 10-year low for the labor force participation rate was 62.7 percent in October 2015.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Washington civilian noninstitutionalized population 16 years and older counted as employed, increased to 59.5 percent in December.

The 10-year high for the employment-to-population ratio in Washington was 65.1 percent in January 2008. The series high for the employment-to-population ratio in Washington occurred in December 1998 when the employment-to-population ratio hit 67.0



percent. The 10-year low for the employment-to-population ratio was 59.0 percent in September 2013. The series low for the employment-to-population ratio occurred in January 1976 when the employment-to-population ratio hit 55.3 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14<sup>th</sup>. The national employment situation report for January will be released on Friday, February 5<sup>th</sup>.